

KOBAYASHI GROUP
Pauahi Towers, Suite 1570
1001 Bishop Street
Honolulu, HI 96813
December 4, 2001

Sports Shinko Hawaii
175 Paokalani Street
Honolulu, HI 96815

Gentlemen:

Recently, we heard that your company might be interested selling some or all of your Hawaii assets. Our company, the Kobayashi Group, is interested in the possibility of purchasing your hotels, golf courses and development lands. We have been actively pursuing the purchase of resort type properties for several years and have a team, including a strong financial entity, that have been working with us during this time.

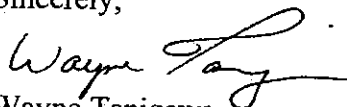
The principals of our company began their business as a construction company (Albert C. Kobayashi, Inc.) and have branched out into real estate development beginning with their equity involvement with housing projects such as Westloch (1,400 homes). Some of our development projects include the Kapolei State Office building, Kapolei Middle School, Kapolei High School and Napili Hau (Maui multifamily condominiums). We are currently in the planning stage of a housing project in Kapolei Villages with the first phase involving approximately 200 homes.

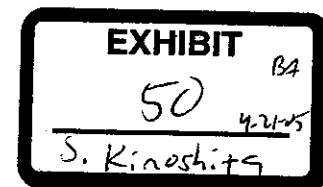
Our searches for investment properties have also taken us to Japan. Over the past several years, we have taken about seven or eight trips to Japan to discuss the possibility of acquiring properties both here in Hawaii and in Japan.

We are seriously interested in the purchase of your Hawaii assets and would appreciate it if we can obtain financial and factual information on the properties. If we can obtain these materials, we would also like your permission to open discussions with your attorney and accountants to make the inquiries necessary to draft a formal offer.

Again, we are serious buyers and hope that you will react favorably to our request. If you have any question or comments, please feel free to call me at 535-2131.

Sincerely,


Wayne Tanigawa
Chief Financial Officer



194 1739

EXHIBIT 21

ATTORNEY-CLIENT PRIVILEGE

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1 IN THE CIRCUIT COURT OF THE FIRST CIRCUIT
2 STATE OF HAWAII

3 -----
4 SPORTS SHINKO (USA) CO., LTD., a Delaware
5 Corporation; SPORTS SHINKO (MILILANI)
6 CO., LTD., a Hawaii corporation, et al.,
7 Plaintiff,

8 vs. Case No. 02-1-2766-11 (EEH)

9 RESORT MANAGEMENT SERVICES
10 (HAWAII), INC., a Hawaii corporation,
11 YASUO NISHIDA, SATOSHI KINOSHITA, et al.
12 Defendants.

13 -----
14
15 DEPOSITION OF SATOSHI KINOSHITA

16 (Volume III)

17
18 Taken on behalf of the Plaintiff at Alston Hunt Floyd &
19 Ing, 1001 Bishop St., ASB Tower, 18th Floor, Honolulu,
20 Hawaii 96813, commencing at 9:00 a.m., Thursday, April
21 21, 2005, pursuant to Notice.

22
23 BEFORE: BARBARA ACOBA, CSR No. 412, RPR
24 Notary Public, State of Hawaii
25

ATTORNEY-CLIENT PRIVILEGE

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1 APPEARANCES:

2 For Plaintiff:

GLENN MELCHINGER, Esq.

3 ALSTON HUNT FLOYD & ING

4 ASB Tower

5 1001 Bishop St., 18th Floor

6 Honolulu, Hawaii 96813

7
8 For Defendant SATOSHI KINOSHITA:

9 JOHN KOMEIJI, Esq.

10 WATANABE ING KAWASHIMA & KOMEIJI

11 First Hawaiian Center

12 999 Bishop St., 23rd Floor

13 Honolulu, Hawaii 96813

14
15
16 Also Present:

STEVEN SILVER - Interpreter

1 why did you write this?

2 A. I'm pretty sure that here I was responding to
3 questions that I had received from the president
4 regarding three items: The formal name of the
5 management company, the names and titles of the
6 officers, and the address of the management company.

7 Q. Did the president tell you why he needed this
8 information?

9 A. No.

10 MR. MELCHINGER: Call that 50.

11 (Exhibit 50 marked for identification.)

12 BY MR. MELCHINGER:

13 Q. I'm showing you what's been marked Exhibit 50
14 to your deposition. Can you tell me whether you've seen
15 that document before?

16 A. Yes.

17 Q. So you remember seeing this on or about
18 December 4th, 2001; is that right?

19 A. Yes.

20 Q. It's not addressed to any person in particular.
21 Did this come to you at this address, the 175 Paoakalani
22 Street?

23 A. Yes. I was the only person that was working at
24 Sports Shinko Hawaii and so I was the person who would
25 check all the mail.

1 Q. Okay. And did you send this to somebody
2 afterwards when you got it?

3 MR. KOMEIJI: Same objection regarding
4 relevancy and not reasonably calculated to lead to
5 discovery of admissible evidence.

6 THE WITNESS: I sent this to the president
7 through Mr. Fukuda as well.

8 BY MR. MELCHINGER:

9 Q. Did you receive a response or an instruction or
10 something from the president after you sent this?

11 A. No. I was initially told to just leave it as
12 is.

13 MR. MELCHINGER: Mark that Exhibit 51, please.

14 (Exhibit 51 marked for identification.)

15 BY MR. MELCHINGER:

16 Q. This is an e-mail that came out of, and I'll
17 make this representation, the McCorriston files produced
18 pursuant to subpoena in the bankruptcy court and I'd
19 like you to look below on the bottom half of this and it
20 refers to a telephone conference between you,
21 Dr. Kinoshita, and Mr. Pothul. And I want to ask, after
22 you've had a chance to review this document, whether you
23 recall having that conversation.

24 A. Yes.

25 Q. Did you tell Mr. Pothul, based on instructions

1 from your father, to hold on marketing the golf courses;
2 is that right?

3 A. Yes. Of course. I did convey those
4 instructions from the president.

5 Q. Did the president tell you why he wanted
6 Colliers to stop marketing the golf courses for some
7 period of time?

8 A. No.

9 Q. Did you hear any other person tell you why, did
10 Mr. Fukuda talk to you about why the marketing for the
11 golf courses should be stopped, for example?

12 A. I heard from Mr. Fukuda that the president was
13 extremely displeased with Colliers because they had not
14 sent him any offers that he was satisfied with.

15 Q. Was the president scheduled to come and visit
16 Hawaii in early December, in around the time you
17 received the KG Holdings letter that is Exhibit 50?

18 A. No, I don't believe so.

19 MR. MELCHINGER: Let's mark that 52.

20 (Exhibit 52 marked for identification.)

21 BY MR. MELCHINGER:

22 Q. Showing you what's been marked Exhibit 52 to
23 your deposition. Do you remember seeing this document
24 before?

25 A. I don't recall.

ATTORNEY-CLIENT PRIVILEGE

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C E R T I F I C A T E

STATE OF HAWAII)

CITY AND COUNTY OF HONOLULU)

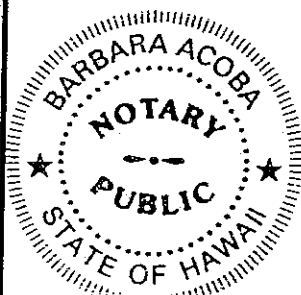
I, BARBARA ACOBA, Certified Shorthand
Reporter and Notary Public, State of Hawaii, do
hereby certify:

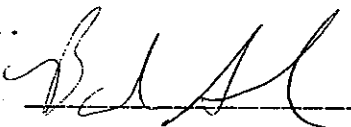
That on Thursday, April 21, 2005, at
9:00 a.m., appeared before me SATOSHI KINOSHITA, the
witness whose deposition is contained herein; that
prior to being examined he was by me duly sworn;

That the deposition was taken down by me
in machine shorthand and was thereafter reduced to
typewriting under my supervision; that the foregoing
represents, to the best of my ability, a true and
correct transcript of the proceedings had in the
foregoing matter.

I further certify that I am not an attorney
for any of the parties hereto, nor in any way concerned
with the cause.

Dated this 30th day of April, 2005,
in Honolulu, Hawaii.




BARBARA ACOBA, CSR NO. 412

Notary Public, State of Hawaii

My Commission Exp: 10-22-2008